GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1283
ANSWERED ON:08.03.2002
RELAXATION IN TERMS AND CONDITIONS OF CENTRAL LOAN
ASHOK KUMAR PATEL;RAMPAL SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to relax the terms and conditions of the Central loan assistance for the State implementing reforms in the irrigation sector;

(b) if so, the details thereof;

(c) the criterion laid down for providing that loan assistance; and

(d) the time by which this decision is likely to be made effective?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (d) : Yes Sir, The criteria for releasing the Central Loan Assistance (CLA) under Accelerated Irrigation Benefits Programme (AIBP) has been relaxed w.e.f. 1.2.2002 for reforming States which agree to revise their water rates in phases so as to recover full operation and maintenance cost within a period of 5 years. Now the reforming States under general category will get CLA in the ratio of 4 :1 (Centre : State) instead of the existing 2 : 1 and under Special Category, in the ratio of 1 : 0 (Centre : State) instead of the existing 3 : 1. CLA norms for non-reforming States will remain unchanged.